

Kia Toipoto Annual Pay Gap Action Plan 2023 – 2024

Drawn from Rautaki Kanorau:
DEI Strategy 2022-2027
April 2023





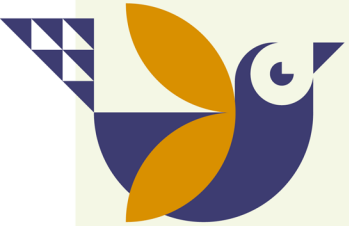
**E koekoe te tūī, e ketekete
te kākā, e kūkū te kererū**

**The tūī chatters, the kākā cackles,
the kererū coos**

This whakataukī reminds us of the true value of diversity. The many birds of our bush have different sounds, different plumage, different ways of flying and feeding. Diversity is intrinsic to a healthy ecosystem, as it is for a healthy workplace and indeed for our world.

Credit to Dr Hinemoa Elder - Aroha

Contents



- 1. Whakatauki and our values**
- 2. Kia Toipoto and the Guardians**
- 3. The Guardians' DEI Principles**
- 4. Understanding and integrating te Ao Māori**
- 5. Kia Toipoto goals and the Guardians' DEI strategy goals**
- 6. The Guardians' gender pay gap data (FY22)**
- 7. Drivers and context**
- 8. Annual pay gap action plan 2023/24**
- 9. Karakia**

Our values and the whakataukī that speak to our Kaupapa

Let us keep close together,
not far apart

We **SUPPORT**
each other —
Waiho i te
toipoto
kaua i te toiroa

TEAM
not hero —
Ēhara tāku toa i
te toa takitahi,
he toa takitini

My strength is not
as an individual but
as a collective

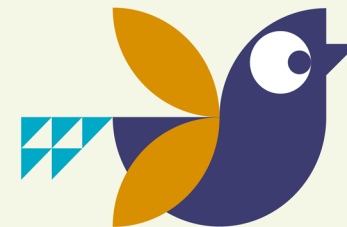
As durable
as a rock pounded
by the ocean

We stand
STRONG
— He toka
tū moana

Future **FOCUSED**
— Ki te kāhore he
whakakitenga,
ka ngaro
te iwi

Without vision the
people will be lost

Kia Toipoto and the Guardians



Te Kawa Mataaho (Public Services Commission) has asked Crown entities, including autonomous Crown entities such as the Guardians, to develop and publish an annual pay gap action plan to support **Kia Toipoto – the Public Service Gender, Māori, Pacific and Ethnic Pay Gap Action Plan 2021-24**.

The Guardians has been building a diversity, equity and inclusion approach since the early 2010s. The first formal **Gender Pay Gap Review** was undertaken in 2016 and the gender pay gap data and gender representation has been reported annually since. A **Diversity and Inclusion Policy** was agreed in the same year. **Equal pay** (equal pay for similar/same roles) has been monitored since 2013 and we are confident that there is no evidence of inequity between men and women in the same or similar roles.

In 2021 the Leadership Team undertook a DEI maturity review and developed, with the Board, **five DEI Principles**. The DEI Principles have full leadership commitment to driving progress. This initiative led to creating a role for the first **Head of Diversity, Equity & Inclusion**, appointed in March 2022. The Guardians joined the Mind the Gap Register in November 2022.

The Guardians' Kia Toipoto Annual Pay Gap Action Plan is drawn from the **Diversity Equity and Inclusion Strategy 2022-2027**. The DEI strategy was **developed** with input and guidance from staff, employee groups, the Leadership Team and the Board. The activities in the Annual Pay Gap Action Plan are located across 7 (of 8) goals of the DEI Strategy, with Goal Ono (8) specifically focusing on reducing the gender pay gap.

Five Guiding DEI Principles



1

We build the Guardians to reflect the communities we serve as we believe it is the right thing to do to enable better outcomes and decision making

2

We promote all aspects of diversity including ethnic diversity, and we have a particular focus on Māori and Pasifika, and women in leadership

3

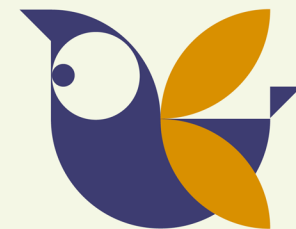
A te Ao Māori approach is integrated into our approach and ways of working

4

Leadership accountability and transparency will help drive our DEI progress

5

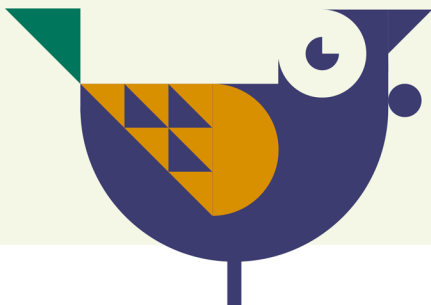
We will build our DEI maturity through bottom-up and top-down support



Understanding and integrating te Ao Māori

We at the Guardians believe that growing our **understanding and integration of te Ao Māori** is core to how we mature our DEI.

Through our Iwi/Māori investment partnerships and through our responsibilities as a member of the broader Crown we are committed to developing an **engagement with te Ao Māori framework**. This will be grounded in acknowledging Te Tiriti o Waitangi (the Treaty of Waitangi) and building a workplace that attracts, respects, develops and supports Māori colleagues to feel included and to flourish.



The DEI 5 year strategic goals

By 2027:



1 **TAHI: Increasing our diversity**

We are attracting and appointing more women into leadership roles, and more Māori and Pacific people, against 2022 baselines.

5 **RIMA: Equity – Reducing our gender pay gap**

We have reduced the mean gender pay gap for employees to an average of 15% over the five years to 2027.

2 **RUA: Equity – Helping all our people grow**

Our DEI approach is integrated into all our training, secondment, job rotation, succession and coaching practices, supporting our diverse workforce to have equitable career pathways.

6 **ONO: Enhancing our te Ao Māori (the world of Māori) engagement**

Our engagement with te Ao Māori is based on authentic and respectful relationships.

3 **TORU: Inclusion – Building our workplace safety & wellbeing**

Our workplace is a safe and nurturing space for all, with our values underpinning expected behaviour and guiding us in zero tolerance of bullying, sexual misconduct and discrimination.

7 **WHITU: Integrating DEI into our operating systems & structures**

DEI is integrated into our systems, structures, procurement processes and workspaces to support our differences and enable us to perform to our full potential.

4 **WHĀ: Inclusion – Strengthening our manaakitanga (care and connection)**

Our inclusive team is enhanced through manaakitanga – deepening our care for others, respecting all constructive voices and valuing the benefit of our diverse experiences.

8 **WARU: Incorporating DEI into our investment excellence & investment sector leadership**

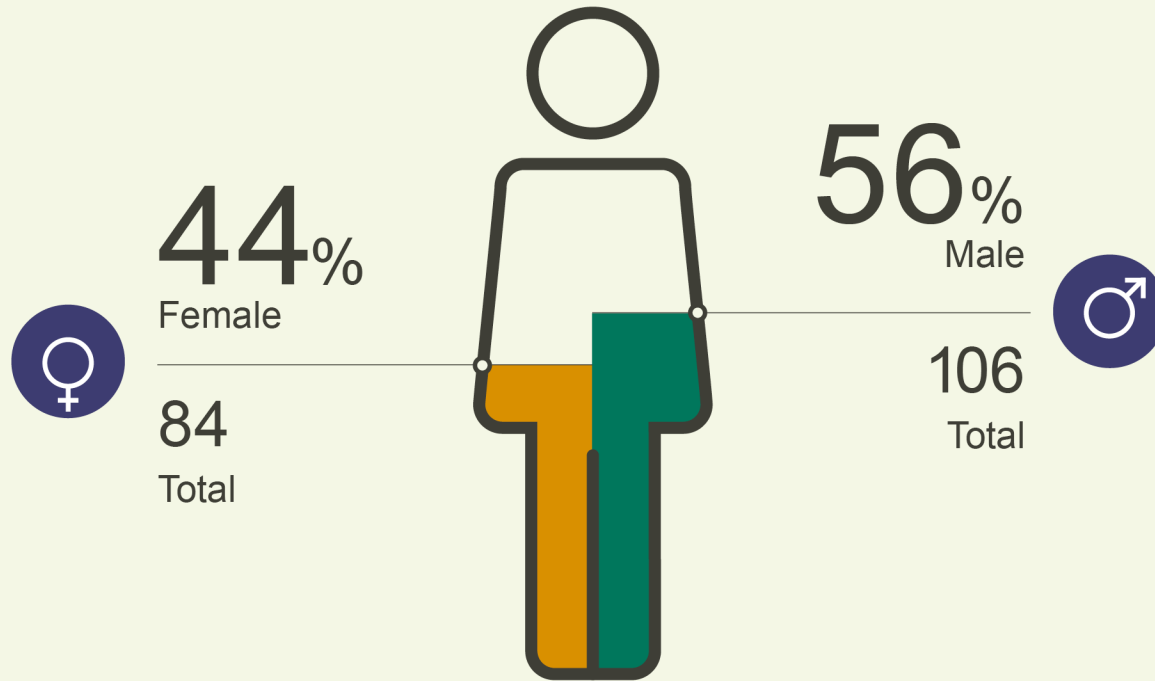
DEI is incorporated into our pursuit of investment excellence and we show best practice sector leadership in DEI, nationally and globally.

Kia Toipoto & Guardians DEI Strategy alignment

Kia Toipoto milestones	The Guardians' DEI Strategy Goals
1. Te Pono: Transparency	Goal Rima: Equity – Reducing our gender pay gap
2. Te Whakawhanaketanga i te Aramahi: Effective career and leadership development	Goal Rua: Equity – Helping our people grow Goal Toru: Inclusion – Building our workplace safety & wellbeing Goal Ono: Enhancing our te Ao Māori engagement
3. Te whai kanohi i ngā taumata katoa: Leadership and representation	Goal Tahī: Equity – Increasing our diversity Goal Rua: Equity – Helping our people grow
4. Ngā hua Tōkeke mō te Utu: Equitable pay outcomes	Goal Rima: Equity – Reducing our gender pay gap
5. Te Whakakore i te katoa o ngā momo whakatoihara, haukume anō hoki: Eliminating all forms of bias and discrimination	Goal Toru: Inclusion – Building our workplace safety & wellbeing Goal Whā – Strengthening our manaakitanga; Goal Whitu – Integrating DEI into our systems and processes
6. Te Taunoa o te Mahi Pīngore: Flexible work by default	Goal Whitu – Integrating DEI into our systems and processes



Gender balance 2022



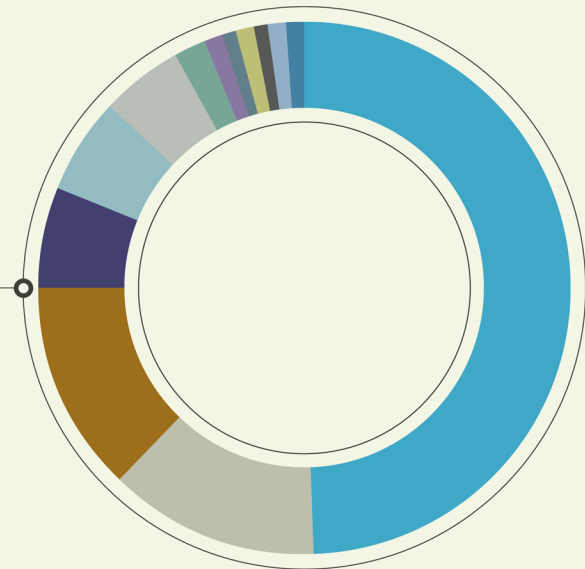
As at 30 June 2022, 0% identified as non-binary, total staff 190 (permanent and fixed term).



Ethnic profile 2022



New Zealand European	50%
Other European and European NFD**	13%
Chinese	13%
Southeast Asian	6%
Indian	6%
Other Asian and Asian NFD**	5%
Māori	2%
Pacific Peoples NFD**	1%
Samoa	1%
Fijian	1%
Latin American	1%
Other ethnicity	1%
Not stated	1%



*Totals do not add to 100% due to rounding. **NFD stands for “Not Further Defined”.

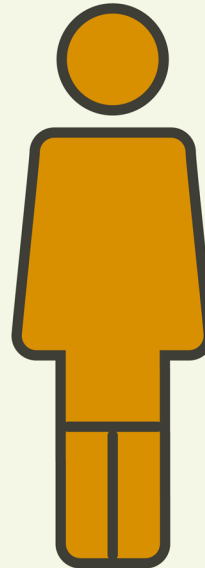
Note: Employees can identify in more than one category and the Guardians uses total response reporting.

Female representation by role 2022

44%
Staff Members

33%
Board Members

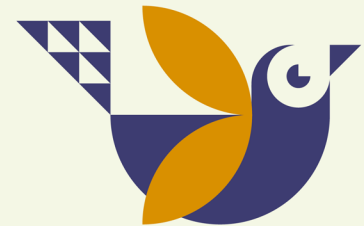
38%
Leadership Team



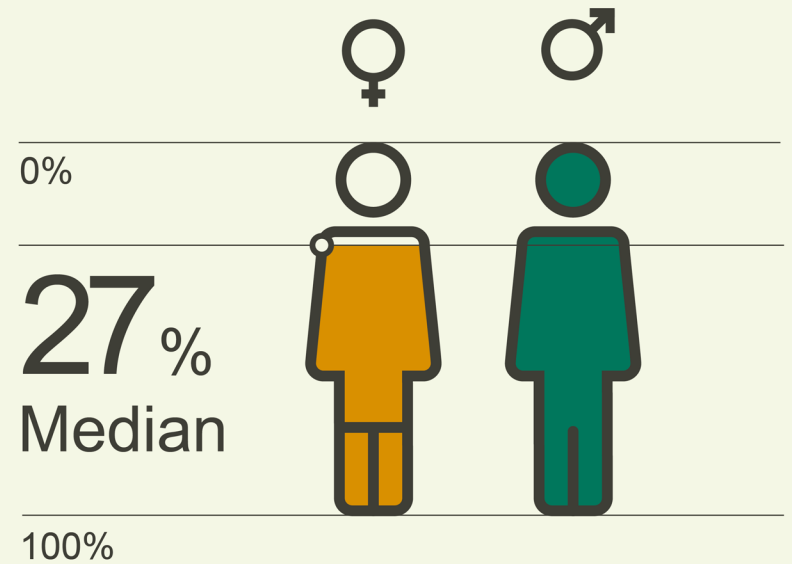
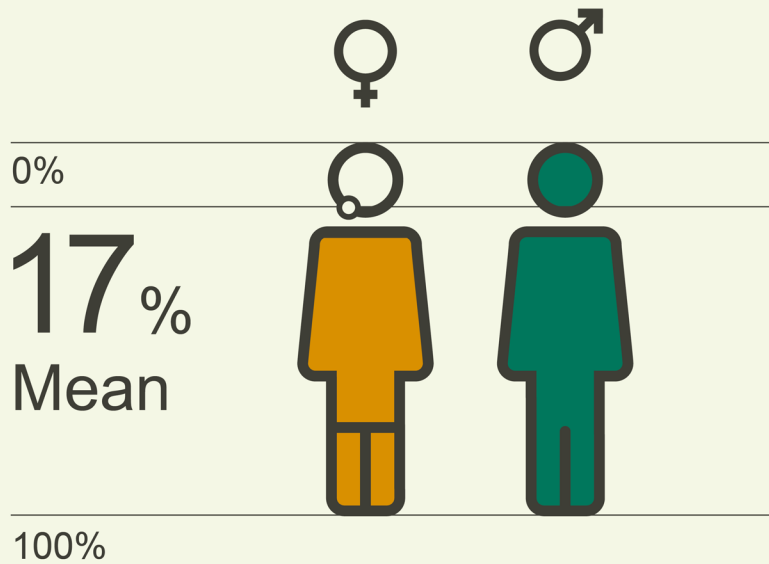
33%
Heads

36%
Investment Professionals

Tier 1 & 2 - Includes CEO & Leadership Team
L3 - Heads
Staff members - permanent and fixed term

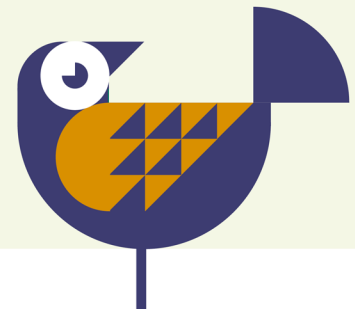


Gender Pay Gap 2022



Employees (permanent and fixed term)
Excludes CEO

The Guardians does not have data to produce a statistically robust ethnic pay gap.



Drivers and context at the Guardians

The DEI Strategy utilises a systems thinking approach. This helps us understand that change is needed structurally (processes, practices and policies), as well as in our behaviours and culture, and that these changes are interconnected. We see that progress on the gender pay gap will take time, requiring multi-layered initiatives that have short, medium and long-term outcomes.

Relevant contextual drivers include:

- Strong employee engagement and culture (Culture Survey 2022).
- Low voluntary staff turnover (9.5% FY2022). Lower turnover means changes in gender and ethnic representation will take time.
- A greater proportion of men than women in higher paying, senior roles. This reflects the wider investment sector (38% females in Guardians' Leadership Team 2022 vs 19% globally in C-suite*).
- Lower proportion of Māori and Pacific people across the finance sector in Aotearoa, relative to the total population**.
- Increasing representation of women in leadership, ethnic minorities and indigenous peoples is a focus by the sector nationally and globally.

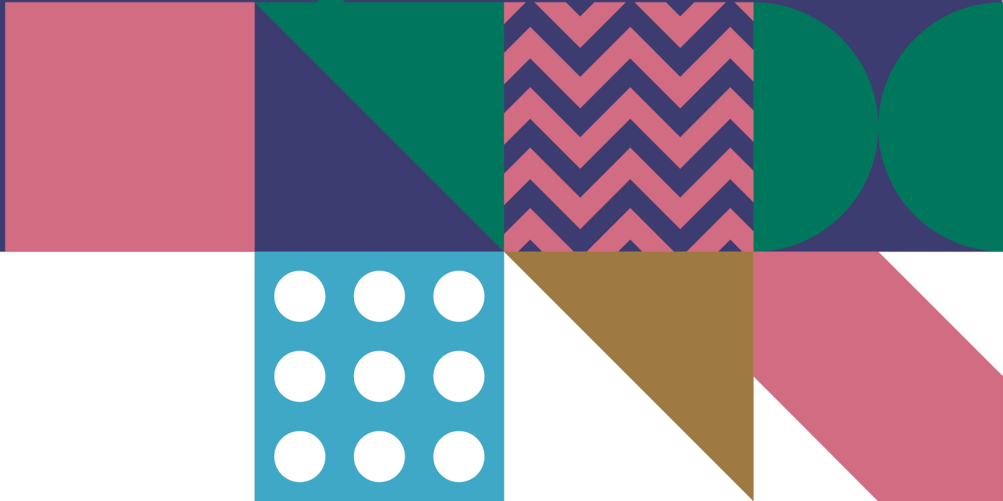
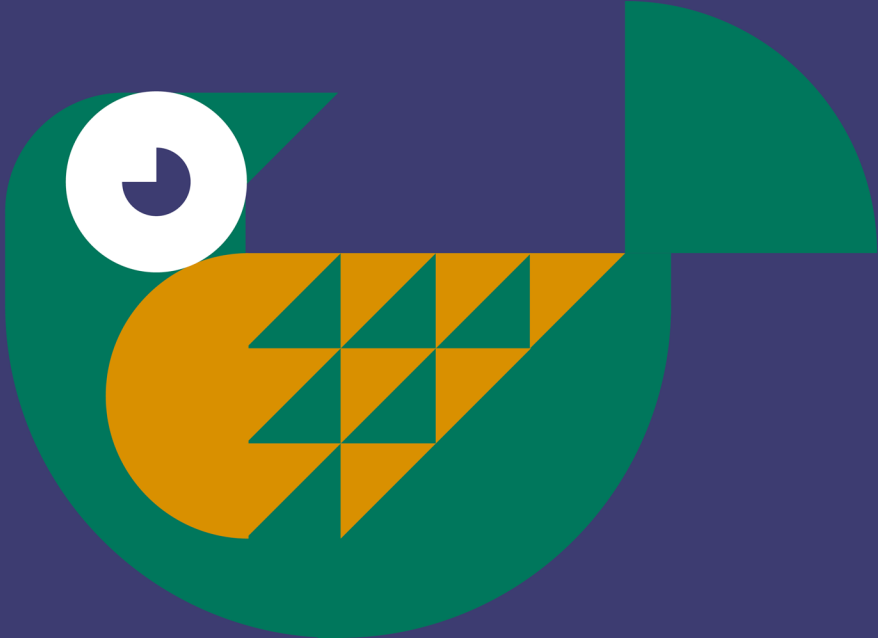
* Deloitte insights: Gender in diversity in global financial services (16/06/2022).

** Māori in the labour market, MBIE June 2021, and NZ Stats Quarterly employment survey, June 2021.



Annual Pay Gap Action Plan 2023 – 2024

April 2023



Kia Toipoto

1. Transparency & 4. Equitable pay outcomes:

Increase transparency about pay and gender representation;
Remove bias in remuneration

Aligned Guardians' DEI Strategy Goal

Goal Rima (5): Equity – Reducing our gender pay gap

Current Status	<ul style="list-style-type: none">• Pay equity in like or similar roles monitored (no evidence of bias in base salaries between men and women in same or similar roles)• External analysis of pay gap methodology for validation and best practice 2022/23• External analysis of total remuneration 2022/23 (salary and bonus) pay gap analysis• Gender pay gap published annually since 2017 (base contractual salary)• Participant of Mind The Gap registry with a link to published pay gap data• All staff have access to the Remuneration Framework in the HR Policy• Monitoring the gender pay gap in annual remuneration reviews• Primary carer 'make good' Kiwisaver lump sum payment post parental leave• Paid parental leave is topped up to full pay for 26 weeks
----------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Annual Pay Gap Action Plan 2023/24

Indicators: June 2024

i. Review and report progress of the Guardians' Annual Pay Gap Action Plan in the annual report (Goal Rima (5)a)	Through appointments of women to senior roles, will have reduced the mean gender pay gap to an average of 15% over five years to 2027
ii. Develop improved pay gap reporting for internal and external communications (Goal Rima (5)c)	Improved pay gap reporting published in annual report

Kia Toipoto

2. Effective career and leadership development:

Leadership training, succession planning, internal rotation, cultural competency

Aligned Guardians' DEI Strategy Goal

Goal Rua (2): Equity – Helping our people grow; Goal Toru (3): Inclusion – Building our workplace safety & wellbeing; Goal Ono (6): Enhancing our te Ao Māori engagement

- Current Status
- Senior leaders receive leadership training (includes DEI & te Ao Māori)
 - Diversity speakers schedule in place; Induction includes DEI and te Ao Māori approach
 - Succession planning in place through annual individual development plans

Annual Pay Gap Action Plan 2023/24

Indicators: June 2024

- | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| i. Leadership and Heads' annual individual objectives include:
a. key DEI messages (eg. zero tolerance) to direct reports, team and organisation wide;
b. reporting progress on the DEI activities within their remit (Goal Toru (3)a) | Leadership and Heads' annual individual objectives include DEI activities |
| ii. Offer annual training on cultural competency, constructive conversations, managing conflict, unconscious bias, diversity including bystander and allyship (Goal Toru (3)e) | Delivery of training |
| iii. The annual review of demographic data in exit interviews assesses potential exit trends for women, Māori and Pacific staff (Goal Rua (2)e) | Leadership is advised of trends |
| iv. Target leadership training opportunities for women who have been identified in succession planning (Goal Rua (2)h) | 100% of the women identified in the Guardians' Succession Plan have offers of leadership training |
| v. Support people leaders in progression discussions with new staff and in IDP sessions that (Goal Rua (2)j):
a. encourage women, Māori and Pacific and diverse staff to access opportunities; and
b. encourage external career pathway options where relevant (no vacancy likely in near future) and 'boomerang' return options. | 100% Māori, Pacific and women in the workforce are accessing training, succession planning, job rotation, and/or horizontal growth opportunities |
| vi. Deliver annual training on te Tiriti and te Ao Māori (Goal Rua (2)d) | Training delivered |
-

Kia Toipoto

3. Leadership & representation:

More diverse talent pool, interns, graduate programme, scholarships, active diversity in recruitment

Aligned Guardians' DEI Strategy Goal

Goal Tahī (1): Equity – Increasing our diversity; Goal Rua (2): Equity – Helping our people grow

- Current Status
- DEI principles on diverse leadership & representation established;
 - Talent Sourcing Road Map developed with focus on women, Māori & Pacific people;
 - Tupu Toa partner for Māori and Pacific interns
 - Statement on DEI & Te Tiriti commitments in adverts

Annual Pay Gap Action Plan 2023/24

Indicators: June 2024

- | | | |
|------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|
| i. | Increase social media engagement and brand awareness of the Guardians' purpose with a focus on women, Māori and Pacific peoples, other ethnic minorities and younger demographics (Goal Tahī (1)g) | Annual marketing survey reports increased awareness in target groups |
| ii. | Share 'story telling' of staff experiences of work and career development for external diverse markets(Māori, Pacific and women) through careers webpages and social media(Goal Rua (2)b) | Use of staff stories to promote a career at the Guardians, used on social media for specific diverse channels |
| iii. | Collect and report recruitment metrics to enhance understanding of the experience of applications who are women, Māori and Pacific people (Goal Tahī (1)a) | Analysis of trends in demographic data collected for staff and candidates is informing the recruitment process for 2024/2025 |
| iv. | Build skills for for hiring managers to encourage diversity in selection; identifying discrimination and unconscious bias, growing cultural competency and engagement with te Ao Māori concepts (Goal Tahī (1)e) | Hiring managers training revision completed |
| v. | Talent Sourcing Road Map: develop a graduate programme, build an alumni group network, and integrate the Tupu Toa intern programme (Goal Tahī (1)h) | Plan developed and implementation started (some activities due in future years) |
| vi. | Develop a sponsorships plan with a focus on supporting more women, Māori and Pacific Pacific peoples into finance and investing, alongside other organisational objectives | Plan developed and implemented |
| vii. | Establish and support staff-initiated diversity rōpu (groups) (Goal Whā (4)b) | Staff initiated rōpū are meeting |

Kia Toipoto

5. Eliminate all forms of bias and discrimination:

Bias free HR policies; bias free leave and breaks;
accessible policies on challenging harassment and discrimination

Aligned Guardians' DEI Strategy Goal

Goal Toru (3): Inclusion – Building our workplace safety & wellbeing; Goal Whā (4)– Strengthening our manaakitanga; Goal Whitu (7) – Integrating DEI into our systems and processes

- | | |
|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Current Status | <ul style="list-style-type: none">• Staff initiated cultural events (incl. Matariki)• Diversity speakers schedule in place• 33% of primary carer parental leave taken by men (2022)• Up to two weeks paid partner's parental leave• Family Violence Policy, training and Family Violence First Responders |
|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Annual Pay Gap Action Plan 2023/24

Indicators: June 2024

i.	Review mandatory training modules to consider complaints and whistleblowing on professional misconduct behaviours (Goal Toru (3)c)	Training reviewed
ii.	Review the complaints process and Whistleblowing Policy so staff can identify bullying, sexual misconduct, racism and discrimination as core Code breaches (Goal Toru (3)b)	Process reviewed
iii.	Review the Code of Conduct to strengthen and inform on professional conduct re: bullying, sexual harassment, racism, homophobia and discrimination (Goal Toru (3)g)	Code is updated
iv.	Assess disability access with external expert guidance for the new premises (Goal Whitu (7)g)	Develop a Disability Access Implementation Plan for the future office
v.	Consider expanded policy for wellbeing and mental health (including a Whare Tapa Whā lens (Goal Whā (4)a)	Policy is considered and, if agreed, approved and socialised
vi.	Collect data on staff experience of Inclusion and the integration of te Ao Māori (Goal Toru (3)f)	Data collected that to inform future DEI Strategy changes

Kia Toipoto

6. Flexible work by default:

Equitable access of policies; hybrid model review

Aligned Guardians' DEI Strategy Goal

Goal Whitu (7) – Integrating DEI into our systems and processes

-
- | | |
|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Current Status | <ul style="list-style-type: none">• Flexible work practices – part time, flexi-time; condensed hours, job share arrangements, WFH• Pilot hybrid way of working• Financial support for home office• Staff survey on WFH / remote work / in office |
|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Annual Pay Gap Action Plan 2023/24

Indicators: June 2024

-
- | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|
| i. Apply a DEI lens to the review of the hybrid workforce model, particularly for those who are carers, have disabilities, wellbeing requirements and/or travel challenges (Goal Whitu (7)f) | Ensure DEI lens is integrated into the review of the hybrid working pilot |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|
-